GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Agriculture & Cooperation Department – Seeds – Andhra Pradesh State Mega Seed Park Policy, 2018 –Approved - Orders -Issued.

AGRICULTURE & COOPERATION (AGRI.II) DEPARTMENT

G.O.RT.No. 597 Dated: 14-08-2018.

Read:

From the Special Commissioner of Agriculture, A.P., Guntur, Lr.No. SC(5)140/ 2016, dated:27.06.2018.

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ORDER:

The Government of Andhra Pradesh is dedicated to develop Andhra Pradesh as a leading player in seed technology, innovations, and business. To ensure that quality seeds reach every small farmer in Andhra Pradesh, the State Government in collaboration with the Seed Science Center (SSC) of Iowa State University (ISU) proposes to establish a Mega Seeds Park at Thangadencha in Kurnool district of Andhra Pradesh. The Mega Seed Park will serve as platform to accelerate the seed industry and undertake related human capital development in the state thereby creating wealth for the state as well as for the large farming community.

2. The Mega Seed Park will position Andhra Pradesh as a global center of excellence in seed production, technology, and innovation. It will foster development of a strong and integrated seed value chain, thereby ensuring food security through seed sufficiency attained by ready access to adequate quantities and qualities of seeds of improved crop varieties for the large farming communities. Accordingly, the Special Commissioner of Agriculture, A.P., Guntur has furnished a draft Andhra Pradesh State Mega Seed Park Policy, 2018 for approval.

3. The Government after careful examination, hereby approve the Andhra Pradesh State Mega Seed Park Policy, 2018 as detailed below:-

Aim of AP State Mega Seed Park Policy

The Government of Andhra Pradesh intends that the State of Andhra Pradesh to be the most preferred destination for Seed Industry. The Andhra Pradesh State Mega Seed Park (APMSP) Policy aims to capitalize on the rich and diverse Seed production base of Andhra Pradesh to provide an impetus to the growth of Seed sector.

Units in APMSP Policy are defined as Hub & Spokes of Public Sector seed agencies/corporations, Private Seed companies, CERT, FPO's, NGO's, FPO Federations, etc of APMSP Ltd.

[Cont..P.2]

Policy Targets

The proposed policy targets are as follows:

(a) To make Andhra Pradesh one of the most preferred destinations for Seed Industry

(b) Attract new Investments in Seed Industry worth 3000 Crores by 2023

(c) Create additional employment opportunity for 40,000 personnel by 2023

Policy Objectives:

(a) Promote Innovation, research & development in the Seed Industry

(b) To ensure high quality certified seeds reach every smallholder farmer of Andhra Pradesh through Mega Seed Park

(c) To achieve food security through seed security enabled through science-led solutions and cutting-edge technology

(d) To enhance capacities of various stakeholders of the seed value chain through training and knowledge dissemination

(e) To promote a cadre of "seed preneurs" and support MSME enterprises and farmer-owned institutions by providing hands-on technical and marketing support

(f) Undertake capacity building and enhance competitiveness of Seed Industry in both domestic and international markets

Policy features:

1. Ease of Doing Business:

(a) Single Desk Clearance

(1) Government of Andhra Pradesh shall facilitate all industrial clearances in accordance with the Single Desk Policy 2015-20

(2) CEO, APMSP Ltd shall be Single Point of Contact (SPOC) for arranging all necessary Approvals to the Units in APMSP

2. Infrastructure support

2.1.Land

(a) For all units setting up project in APMSP Ltd, land allotment shall be done as per the Industrial Development Policy 2015-20.

[Contd..P.3]

2.2. Power

(a) Power tariff subsidy for all the units in APMSP Ltd will be at Rs. 1.50 per unit for 5 years from date of commencement of commercial production

(b) Seed Industry will continue to be a "seasonal industry" under the regulations of APERC, and shall get relief from minimum electricity demand charges during the closure period

(c) Electricity duty will be exempted for captive power plants for self-use, for 5 years from the date of commencement of commercial operation

3. Fiscal Incentives

3.1 Land Conversion charges

If conversion of land for setting up units in APMSP Ltd is permitted by the relevant government authority, GoAP will reimburse the Non-Agriculture Land Assessment (NALA) tax as applicable.

3.2. Capital Subsidy

(a) Subsidy to an extent of 25% of project cost for setting up units in APMSP limited to a max. of 5 crore, Includes reimbursement of all Import duties for equipment (As per AP Food Processing Policy 2015-20)

3.3. Interest Subsidy

(a) Interest subsidy of 7% for a period of 5 years on the term loan taken for fixed capital investment for units in APMSP Ltd till the commencement of commercial operations limited to 2 crore. (In line with AP Food Processing Policy 2015-20)

3.4 Tax incentives

(a) GST reimbursements for all units in APMSP Ltd shall be as per the Industrial Development Policy 2015-20 of Government of Andhra Pradesh respectively

(b) GST reimbursements of 50% till the date of commencement of commercial production or up to realization of 100% fixed capital investment, whichever is earlier

3.5 Stamp Duty

(a) 100% reimbursement of stamp duty and transfer duty paid by the industry on purchase or lease of land meant for industrial use.

[Contd..P.4]

(a) 100% reimbursement of stamp duty for lease of land/shed/buildings, mortgages and hypothecations

(b) All the reimbursements shall be processed within 6 months.

3.6 APMC Cess/Fees

(a) Government of Andhra Pradesh will provide 100% exemption of APMC cess/fees in respect of production of Seed/Seedlings directly from growers by the units.

3.7 Patent registration

(a) Reimbursement of expenditure incurred in obtaining patents to the extent of 10 lakh per patent

3.8 Technology

(a) Financial assistance to enterprises acquiring new technology

(b) Up to 50% of the investment in technology /collaboration. Max. of 25 lakh per process/product, only once during operative period of the scheme (In line with AP Textile & Apparel Policy 2015-20)

(c) Enterprises availing a benefit for the same purpose under any other scheme will not be eligible to get benefits under this scheme

3.9 Research & Development

(a) Financial assistance to Seed Agencies/corporations, Seed Companies /FPOs/Federations/NGOs etc for research work approved by government undertaken by reputed research Institutions. Up to 50% of the cost with a ceiling of ₹ 25 lakhs (As per AP Food Processing Policy 2015-20)

(b) Would be a onetime grant for a Seed Companies/ FPOs/ Federations/ NGOs etc

3.10 Investment in Testing Labs

(a) Grant for setting up NABL approved Seed testing labs for usage by Seed Companies

(b) Max. 50% of the project cost up to a limit of ₹ 5 Crore (In line with AP Food Processing Policy 2015-20)

[Contd.P.5]

4. The Special Commissioner of Agriculture, A.P., Guntur /Departments concerned in the address entries shall take further necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.RAJSEKHAR
SPECIAL CHIEF SECRETARY TO GOVERNMENT (AGRI) (FAC)

To
The Special Commissioner of Agriculture, A.P., Guntur.
The Revenue Department.
The Energy, Infrastructure and Investment Department .
The Industries Department.
The Finance Department .
The Acharya N.G. Ranga Agricultural University.
Copy to:-
The P.S.to Addl. Secy. to Hon'ble C.M.
The P.S. to Hon'ble Min. (Agri.).
The General Administration (Cabinet.I) Department.

SF/SC

//FORWARDED :: BY ORDER//

SECTION OFFICER